

VIRGINIA:

BEFORE THE VIRGINIA GAS AND OIL BOARD

IN RE:

SUPPLEMENTAL ORDER REGARDING DOCKET NUMBER  
VGOB 08-0115-2123

ELECTIONS: UNIT BH-121  
(herein Subject Drilling Unit)

REPORT OF BOARD

FINDINGS AND ORDER

This Supplemental Order is entered by the Board *sua sponte* in the form authorized by the Board at hearings held on February 15, 1994 and June 16, 1992; and this Supplemental Order is being recorded for the purpose of supplementing the Order previously in the captioned matter on March 20, 2008 which was recorded at Deed Book 688, Page 414 in the Office of the Clerk of the Circuit Court of Russell County, Virginia, on April 2, 2008, (herein "Board Order") and completing the record regarding elections.

Findings: The Board finds that:

The Board Order directed CNX GAS COMPANY LLC (herein "Designated Operator") to mail copies of the Board Order to all Respondents whose interests, if any, were pooled by the said Board Order;

The Designated Operator filed its affidavit of elections disclosing that it had mailed a true and correct copy of the Board's Order to all Respondents whose interests, if any, were pooled by said Board Order;

The Board Order required each Respondent whose interests, if any, were pooled by the terms of said Board Order to make an election within thirty (30) days after the date of mailing or recording, as applicable, of said Order; the affidavit of elections filed herein and annexed hereto as Exhibit A states: (i) whether each Respondent has made or failed to make a timely election; (ii) the nature of any election(s) made; and (iii) whether, by reason of a failure to elect or to timely elect one or more Respondents are deemed, under the terms of the Board's Order, to have leased all their rights, title, interests, estates and claims in Subject Drilling Unit to the Applicant;

That the affidavit of elections annexed hereto with the Exhibits submitted therewith identifies the Respondent(s) making a timely election, if any; identifies the Respondent(s), if any, who are deemed to have leased; identifies the conflicting interests and claims which require escrow; identifies the interests and claims, if any, requiring escrow under Virginia Code section 45.1-361.21.D.; and identifies the Respondents, if any, who may be dismissed by reason of having leased or entered into a voluntary agreement with the Applicant.

The affidavit of elections indicates whether or not the escrow of funds is required with regard to Unit BH-121;

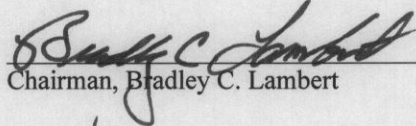
Order: By this Order, the Board orders the Designated Operator to tender, consistent with and in accordance with the findings set forth at paragraph 2. above and the annexed affidavit of elections with Exhibits thereto, any funds subject to escrow and instructs the Escrow Agent, First Bank & Trust Company PO Box 3860 Kingsport, TN 37664, Attn: Debbie Davis or any successor named by the Board to establish interest bearing escrow account(s), IRS Tax Identification Number 54-1629506, in accordance with the information set forth in the affidavit of elections with Exhibits thereto, to receive funds and account to the Board therefore.

Mailing of Order and Filing of Affidavit: The Designated Operator under the captioned Order or shall file an affidavit with the Secretary of the Board within ten (10) days after the date of receipt of this Order stating that a true and correct copy of this Order was mailed to each Respondent whose interests or claims are subject to escrow and whose address is known within seven (7) days from the date of receipt of this Order.

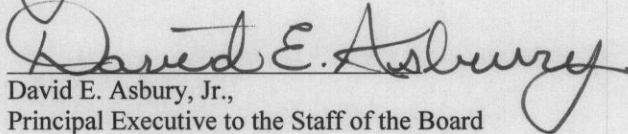
Conclusion: Therefore, the findings and all terms and provisions set forth above be and hereby are granted and IT IS SO ORDERED.

Effective Date: This Order shall be effective on the date of its execution.

DONE AND EXECUTED this 22 day of June, 2010, by a majority of the Virginia Gas and Oil Board.

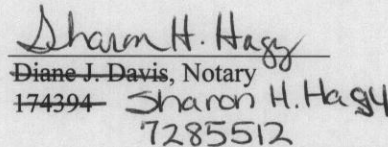
  
Chairman, Bradley C. Lambert

DONE AND PERFORMED THIS 22 day of June, 2010, by Order of the Board.

  
David E. Asbury, Jr.,  
Principal Executive to the Staff of the Board

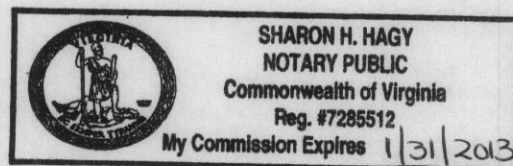
STATE OF VIRGINIA  
COUNTY OF RUSSELL

Acknowledged on this 22 day of June, 2010, personally before me a notary public in and for the Commonwealth of Virginia, appeared Bradley C. Lambert, being duly sworn did depose and say that he is Chairman of the Virginia Gas and Oil Board, and appeared David E. Asbury Jr., being duly sworn did depose and say that he is Principal Executive to the Staff of the Virginia Gas and Oil Board that they executed the same and were authorized to do so.

  
~~Diane J. Davis~~, Notary  
~~174394~~ Sharon H. Hagy  
7285512

My commission expires: ~~September 30, 2013~~

January 31, 2013





VIRGINIA:

Exhibit A

BEFORE THE VIRGINIA GAS AND OIL BOARD

IN RE:

Application of CNX Gas Company LLC for Forced Pooling of Interests in CBM Unit BH-121  
VGOB 08-0115-2123 in the Garden District of Russell County, Virginia

AFFIDAVIT OF CNX GAS COMPANY LLC (herein A Designated Operator) REGARDING  
ELECTIONS, ESCROW AND SUPPLEMENTAL ORDER

Anita D. Duty, being first duly sworn on oath, deposes and says:

That your affiant is employed by CNX Land Resources, Inc., as a Pooling Supervisor and is duly authorized to make this affidavit on behalf of CNX GAS COMPANY LLC, the designated operator,

That the Order entered on March 20, 2008, by the Virginia Gas and Oil Board (hereinafter "Board") regarding the captioned CBM Unit required the Applicant to mail a true and correct copy of said Order to each person pooled by the Order;

That within seven (7) days of receipt of an executed copy of the Order referred to at paragraph 2. above, your affiant caused a true and correct copy of said Order to be mailed via the United States Postal Service to each Respondent named in the captioned Application, whose address was known, and to all persons, if any, who were added as Respondents at the hearing held in the captioned matter; that proof of such mailing has previously been tendered to the Division of Gas and Oil, the Office of the Gas and Oil Inspector, at Lebanon, Virginia;

That the Order of the Board in the captioned matter required all persons pooled thereby to tender their written elections to the Unit Operator within thirty (30) days of the date the Order was recorded in the counties identified above; that said Order was recorded on April 2, 2008;

That the designated operator CNX GAS COMPANY LLC has established procedures to review all mail received and all written documents received other than by mail to ascertain whether parties whose interests have been pooled have made a written election, in a timely fashion, as required by the captioned Order; that said procedures were followed to identify the elections, if any, made with regard to the Subject Unit; that the following persons delivered, by mail or otherwise, written elections the Unit Operator, within the thirty day elections period:

None

That Respondents identified in Exhibit B-3 hereto are, having failed to make any election, deemed to have leased their coalbed methane rights, interests and claims to Applicant, all as provided in the Board's Order of March 20, 2008;

See attached Exhibit B-3

That the rights, interests and claims of the following persons are subject to escrow under the Board's Order pooling the captioned Unit, Board Regulations and the Code of Virginia:

See attached Exhibit E

That after the pooling hearing held in the captioned matter, the following persons have leased or entered into a voluntary agreement with the Designated Operator:

See attached Exhibit B-2

That to the extent any of said persons listed in Exhibit B-2 have rights, interests and claims which are subject to escrow, they should be dismissed as respondents; the Operator requests that the following persons be dismissed as Respondents:

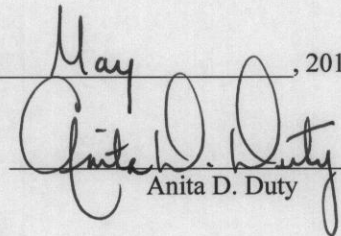
Henry R. Miller, et ux

That the persons identified in Exhibit EE attached hereto have entered into royalty split agreements that allow the Applicant/Designated Operator to pay them directly without the need to escrow funds which would otherwise be in conflict.

See attached Exhibit EE

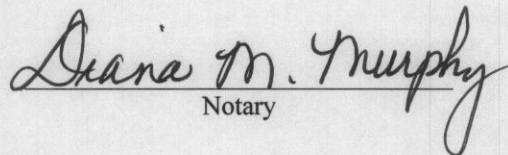
That pursuant to the provisions of VAC 25-160-70.A.10. and C. and VAC 25-160-80 the annexed supplemental order sets forth the interests and claims that require escrow of funds pursuant to Virginia Code sections 45.1-361.21.D. and 45.1-361.22.A.3. and 4.

Dated at Bluefield, West Virginia, this 13<sup>th</sup> day of May, 2010.

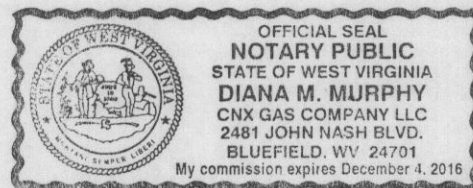
  
Anita D. Duty

STATE OF WEST VIRGINIA  
COUNTY OF MERCER

Taken, subscribed and sworn to before me by Anita D. Duty as a Pooling Supervisor for CNX Land Resources, Inc., on behalf of the corporate Designated Operator, this 13<sup>th</sup> day of May, 2010.

  
Notary

My commission expires: December 4, 2016





PROPERTY LINES SHOWN WERE TAKEN FROM MAPS PROVIDED  
BY CNX GAS COMPANY LLC AND WERE NOT SURVEYED.

BOOK 688 PAGE 0425

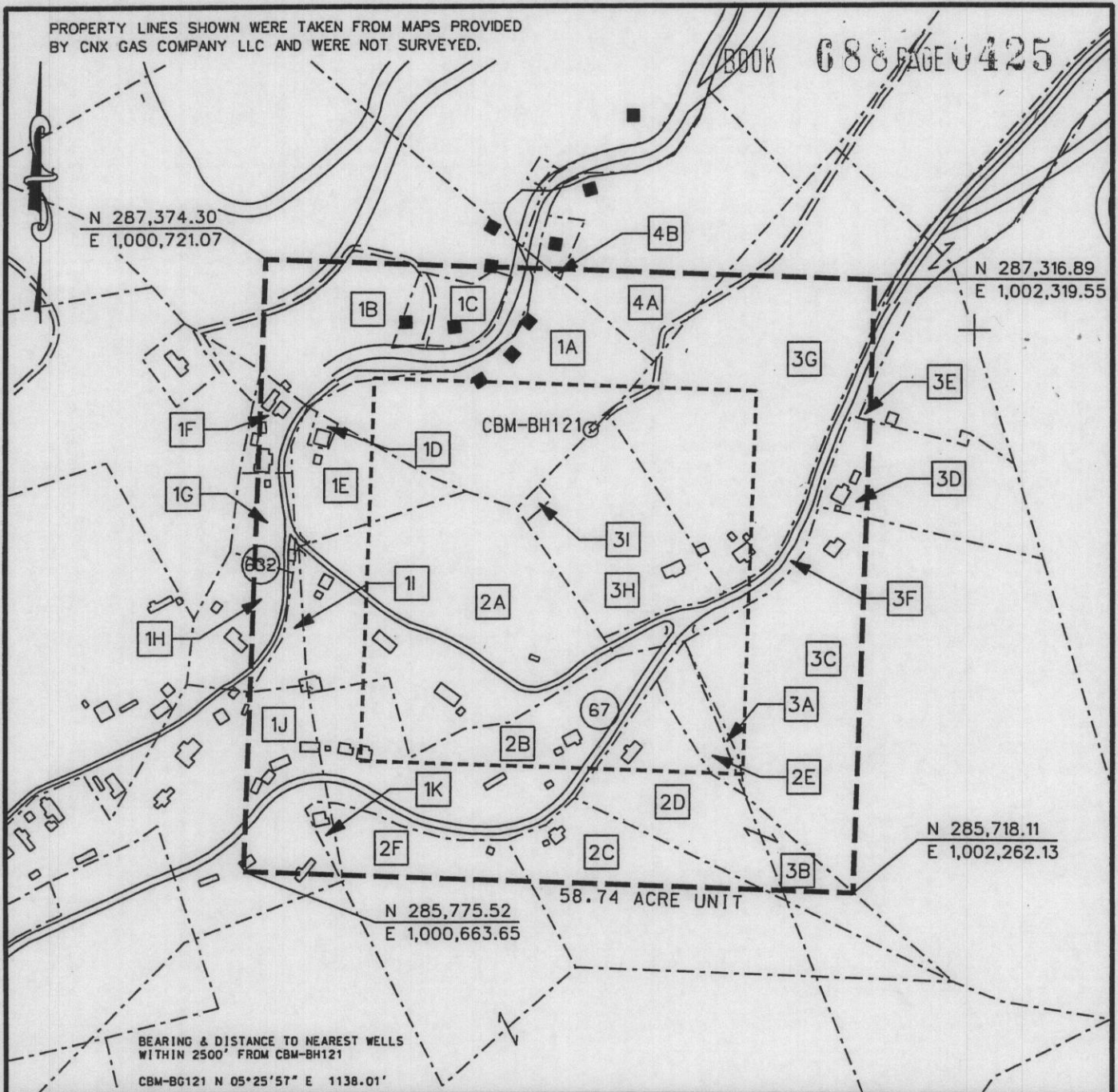


EXHIBIT A  
MIDDLE RIDGE FIELD

UNIT BH-121  
FORCE POOLING  
VOLUME 08-0115-2

CLAUDE D. MORGAN

Lic. No. 10956

quadrangle Honaker

Scale 1" = 400' Date 12/13/07

Company CNX Gas Company LLC

Well Name and Number

Tract No. Elevation

County Russell District New Garden

This plat is a new plat ☒ ; an updated plat ☐ ;

Form DGO-GO-7

Rev. 9/91

Licensed Professional Engineer or Licensed Land Surveyor

(Affix Seal)

**CNX Gas Company LLC****Unit BH-121****Tract Identifications****(58.74 Acre Unit)**

1. Swords Creek Land Partnership Tr. 10 (154.93 Acre Tract) – All Minerals  
Reserve Coal Properties Company – Coal Below Tiller Seam Leased  
Knox Creek Coal Corporation – Coal In Tiller and Above Leased  
CNX Gas Company LLC – Oil, Gas and CBM Leased  
16.64 acres 28.3282%
- 1A. Swords Creek Land Partnership - Surface
- 1B. Swords Creek Land Partnership - Surface
- 1C. CNX Gas Company LLC - Surface
- 1D. Unknown Surface Owner
- 1E. Unknown Surface Owner
- 1F. Unknown Surface Owner
- 1G. Unknown Surface Owner
- 1H. Unknown Surface Owner
- 1I. Unknown Surface Owner
- 1J. Unknown Surface Owner
- 1K. Unknown Surface Owner
2. Swords Creek Land Partnership Tr. 11 (97.12 Acre Tract) – All Minerals  
Reserve Coal Properties Company - Coal Below Tiller Seam Leased  
Knox Creek Coal Corporation – Coal In Tiller and Above Leased  
CNX Gas Company LLC – Oil, Gas and CBM Leased  
20.66 acres 35.1719%
- 2A. Unknown Surface Owner
- 2B. Unknown Surface Owner
- 2C. Unknown Surface Owner
- 2D. Unknown Surface Owner
- 2E. Unknown Surface Owner
- 2F. Unknown Surface Owner
- 3A. Swords Creek Land Partnership Tr. 44 (45.75 acre Tract) – Coal  
Reserve Coal Properties Company - Coal Below Tiller Seam Leased  
Knox Creek Coal Corporation – Coal In Tiller and Above Leased  
CNX Gas Company LLC - CBM Leased  
Henry R. Miller , et ux– Surface and All Minerals except Coal  
0.10 acres 0.1702%



**CNX Gas Company LLC****Unit BH-121****Tract Identifications****(58.74 Acre Unit)**

- 3B. Swords Creek Land Partnership Tr. 44 (45.75 acre Tract) – Coal  
Reserve Coal Properties Company - Coal Below Tiller Seam Leased  
Knox Creek Coal Corporation – Coal In Tiller and Above Leased  
CNX Gas Company LLC - CBM Leased  
Henry R. Miller , et ux– Surface and All Minerals except Coal  
0.53 acres 0.9023%
- 3C. Swords Creek Land Partnership Tr. 44 (45.75 acre Tract) – Coal  
Reserve Coal Properties Company - Coal Below Tiller Seam Leased  
Knox Creek Coal Corporation – Coal In Tiller and Above Leased  
CNX Gas Company LLC - CBM Leased  
Carolyn Griffith, et vir – Surface and All Minerals except Coal  
6.09 acres 10.3677%
- 3D. Swords Creek Land Partnership Tr. 44 (45.75 acre Tract) – Coal  
Reserve Coal Properties Company - Coal Below Tiller Seam Leased  
Knox Creek Coal Corporation - Coal In Tiller and Above Leased  
CNX Gas Company LLC – CBM Leased  
John Hale – Surface and All Minerals except Coal  
0.53 acres 0.9023%
- 3E. Swords Creek Land Partnership Tr. 44 (45.75 acre Tract) – Coal  
Reserve Coal Properties Company - Coal Below Tiller Seam Leased  
Knox Creek Coal Corporation - Coal In Tiller and Above Leased  
CNX Gas Company LLC – CBM Leased  
James M. Perkins, et ux – Surface and All Minerals except Coal  
0.03 acres 0.0511%
- 3F. Swords Creek Land Partnership Tr. 44 (45.75 acre Tract) – Coal  
Reserve Coal Properties Company - Coal Below Tiller Seam Leased  
Knox Creek Coal Corporation - Coal In Tiller and Above Leased  
CNX Gas Company LLC - CBM Leased  
Commonwealth of Virginia – Surface and All Minerals except Coal  
1.44 acres 2.4515%
- 3G. Swords Creek Land Partnership Tr. 44 (45.75 acre Tract) – Coal  
Reserve Coal Properties Company - Coal Below Tiller Seam Leased  
Knox Creek Coal Corporation - Coal In Tiller and Above Leased  
CNX Gas Company LLC - CBM Leased  
Billy K. Keen, et ux– Surface and All Minerals except Coal  
CNX Gas Company LLC – Oil, Gas and CBM Leased  
7.83 acres 13.3299%

**CNX Gas Company LLC****Unit BH-121**

Tract Identifications  
(58.74 Acre Unit)

- 3H. Swords Creek Land Partnership Tr. 44 (45.75 acre Tract) – Coal  
Reserve Coal Properties Company - Coal Below Tiller Seam Leased  
Knox Creek Coal Corporation - Coal In Tiller and Above Leased  
CNX Gas Company LLC - CBM Leased  
Billy K. Keen, et ux – Surface and All Minerals except Coal  
CNX Gas Company LLC – Oil, Gas and CBM Leased  
3.57 acres 6.0776%
- 3I. Swords Creek Land Partnership Tr. 44 (45.75 acre Tract) – Coal  
Reserve Coal Properties Company - Coal Below Tiller Seam Leased  
Knox Creek Coal Corporation - Coal In Tiller and Above Leased  
CNX Gas Company LLC - CBM Leased  
Billy K. Keen, et ux – Surface and All Minerals except Coal (CEMETERY)  
CNX Gas Company LLC – Oil, Gas and CBM Leased  
0.09 acres 0.1532%
- 4A. Swords Creek Land Partnership Tr. 12 (102.29 Acre Tract) – Coal  
Reserve Coal Properties Company - Coal Below Tiller Seam Leased  
Knox Creek Coal Corporation – Coal In Tiller and Above Leased  
CNX Gas Company LLC – CBM Leased  
Jackie Lee Miller, et ux – Surface and All Minerals except Coal  
CNX Gas Company LLC – Oil, Gas and CBM Leased  
1.22 acres 2.0769%
- 4B. Swords Creek Land Partnership Tr. 12 (102.29 Acre Tract) – Coal  
Reserve Coal Properties Company - Coal Below Tiller Seam Leased  
Knox Creek Coal Corporation - Coal In Tiller and Above Leased  
CNX Gas Company LLC – CBM Leased  
Trustees of Richlands Presbyterian Church – Surface and All Minerals except Coal  
0.01 acres 0.0170%



Exhibit B-2  
Unit BH-121  
Docket #VGOB 08-0115-2123  
List of Respondents to be Dismissed  
(58.74 Acre Unit)

	Acres in Unit	Interest in Unit	Reason for Dismissal
<b>II. <u>OIL &amp; GAS OWNERSHIP</u></b>			
<b><u>Tract #3A, 0.10 acres</u></b>			
(1) Henry R. Miller, et ux PO Box 77 Swords Creek, VA 24649	0.10 acres	0.1702%	Leased
<b><u>Tract #3B, 0.53 acres</u></b>			
(1) Henry R. Miller, et ux PO Box 77 Swords Creek, VA 24649	0.53 acres	0.9023%	Leased

Exhibit B-3  
Unit BH-121  
Docket #VGOB 08-0115-2123  
List of Unleased Owners/Claimants  
(58.74 Acre Unit)

	Acres in Unit	Interest in Unit
<b>II. OIL &amp; GAS OWNERSHIP</b>		
<b><u>Tract #3D, 0.53 acres</u></b>		
(1) John Hale PO Box 312 Swords Creek, VA 24649	0.53 acres	0.9023%
<b><u>Tract #3E, 0.03 acres</u></b>		
(1) James M. Perkins, et ux Rt. 2 Box 177 Honaker, VA 24260	0.03 acres	0.0511%
<b><u>Tract #3F, 1.44 acres</u></b>		
(1) Commonwealth of Virginia Dept. of Highways 870 Bonham Rd. Bristol, VA 24201	1.44 acres	2.4515%
<b><u>Tract #4B, 0.01 acres</u></b>		
(1) Trustees of Richlands Presbyterian Church PO Box 446 Richlands, VA 24641	0.01 acres	0.0170%



Exhibit E  
Unit BH-121  
Docket #VGOB 08-0115-2123  
List of Conflicting Owners/Claimants that require escrow  
(58.74 Acre Unit)

BOOK 723 PAGE 0011

	Acres in Unit	Interest in Unit
<b><u>Tract #3D, 0.53 acres</u></b>		
<b><u>COAL OWNERSHIP</u></b>		
(1) Swords Creek Land Partnership, Tr.44 P.O. Box 187 Tazewell, VA 24651	0.53 acres	0.9023%
<b><u>OIL &amp; GAS OWNERSHIP</u></b>		
(1) John Hale PO Box 312 Swords Creek, VA 24649	0.53 acres	0.9023%
<b><u>Tract #3E, 0.03 acres</u></b>		
<b><u>COAL OWNERSHIP</u></b>		
(1) Swords Creek Land Partnership, Tr.44 P.O. Box 187 Tazewell, VA 24651	0.03 acres	0.0511%
<b><u>OIL &amp; GAS OWNERSHIP</u></b>		
(1) James M. Perkins, et ux Rt. 2 Box 177 Honaker, VA 24260	0.03 acres	0.0511%
<b><u>Tract #3F, 1.44 acres</u></b>		
<b><u>COAL OWNERSHIP</u></b>		
(1) Swords Creek Land Partnership, Tr.44 P.O. Box 187 Tazewell, VA 24651	1.44 acres	2.4515%
<b><u>OIL &amp; GAS OWNERSHIP</u></b>		
(1) Commonwealth of Virginia Dept. of Highways 870 Bonham Rd. Bristol, VA 24201	1.44 acres	2.4515%
<b><u>Tract #4B, 0.01 acres</u></b>		
<b><u>COAL OWNERSHIP</u></b>		
(1) Swords Creek Land Partnership, Tr.12 P.O. Box 187 Tazewell, VA 24651	0.01 acres	0.0170%
<b><u>OIL &amp; GAS OWNERSHIP</u></b>		
(1) Trustees of Richlands Presbyterian Church PO Box 446 Richlands, VA 24641	0.01 acres	0.0170%

Exhibit EE  
Unit BH-121  
Docket #VGOB 08-0115-2123  
List of Conflicting Owners/Claimants with Royalty Split Agreements  
(58.74 Acre Unit)

	Acres in Unit	Interest in Unit
<b><u>Tract #3A, 0.10 acres</u></b>		
<b><u>COAL OWNERSHIP</u></b>		
(1) Swords Creek Land Partnership, Tr.44 P.O. Box 187 Tazewell, VA 24651	0.10 acres	0.1702%
<b><u>OIL &amp; GAS OWNERSHIP</u></b>		
(1) Henry R. Miller, et ux PO Box 77 Swords Creek, VA 24649	0.10 acres	0.1702%
<b><u>Tract #3B, 0.53 acres</u></b>		
<b><u>COAL OWNERSHIP</u></b>		
(1) Swords Creek Land Partnership, Tr.44 P.O. Box 187 Tazewell, VA 24651	0.53 acres	0.9023%
<b><u>OIL &amp; GAS OWNERSHIP</u></b>		
(1) Henry R. Miller, et ux PO Box 77 Swords Creek, VA 24649	0.53 acres	0.9023%
<b><u>Tract #3C, 6.09 acres</u></b>		
<b><u>COAL OWNERSHIP</u></b>		
(1) Swords Creek Land Partnership, Tr.44 P.O. Box 187 Tazewell, VA 24651	6.09 acres	10.3677%
<b><u>OIL &amp; GAS OWNERSHIP</u></b>		
(1) Carolyn Griffith, et vir 6412 Swords Creek Road Swords Creek, VA 24649	6.09 acres	10.3677%
<b><u>Tract #3G, 7.83 acres</u></b>		
<b><u>COAL OWNERSHIP</u></b>		
(1) Swords Creek Land Partnership, Tr.44 P.O. Box 187 Tazewell, VA 24651	7.83 acres	13.3299%
<b><u>OIL &amp; GAS OWNERSHIP</u></b>		
(1) Billy K. Keen, et ux PO Box 13 Swords Creek, VA 24649	7.83 acres	13.3299%



Exhibit EE  
Unit BH-121  
Docket #VGOB 08-0115-2123  
List of Conflicting Owners/Claimants with Royalty Split Agreements  
(58.74 Acre Unit)

	Acres in Unit	Interest in Unit
<u>Tract #3H, 3.57 acres</u>		
<u>COAL OWNERSHIP</u>		
(1) Swords Creek Land Partnership, Tr.44 P.O. Box 187 Tazewell, VA 24651	3.57 acres	6.0776%
<u>OIL &amp; GAS OWNERSHIP</u>		
(1) Billy K. Keen, et ux PO Box 13 Swords Creek, VA 24649	3.57 acres	6.0776%
<u>Tract #3I, 0.09 acres</u>		
<u>COAL OWNERSHIP</u>		
(1) Swords Creek Land Partnership, Tr.44 P.O. Box 187 Tazewell, VA 24651	0.09 acres	0.1532%
<u>OIL &amp; GAS OWNERSHIP</u>		
(1) Billy K. Keen, et ux PO Box 13 Swords Creek, VA 24649	0.09 acres	0.1532%
<u>Tract #4A, 1.22 acres</u>		
<u>COAL OWNERSHIP</u>		
(1) Swords Creek Land Partnership, Tr.12 P.O. Box 187 Tazewell, VA 24651	1.22 acres	2.0769%
<u>OIL &amp; GAS OWNERSHIP</u>		
(1) Jackie Lee Miller, et ux 1254 Lynn Springs Rd. Swords Creek, VA 24649	1.22 acres	2.0769%

1001703

VIRGINIA: IN THE OFFICE OF THE CLERK OF THE CIRCUIT COURT OF RUSSELL COUNTY, July 23, 2010. This deed was this day presented in said office, and upon the certificate of acknowledgment thereto annexed, admitted to record at 3:36 o'clock P M, after payment of \$\_\_\_\_\_ tax imposed by Sec. 58.1-802.

Original returned this date to: Dept. of Mines, Minerals

TESTE: ANN S. McREYNOLDS, CLERK  
BY: Jamie Tuckett D. CLERK